## **REMARKS**

Appreciation is expressed for the Examiner's indication that Claim 12 recites allowable subject matter and would be allowable if amended to recite the limitations of the base claim and the intervening claims. Appreciation is also expressed for the withdrawal of the Examiner's previous drawing objections, claim objections, and rejection of claims 1-11 under 35 USC 112, second paragraph.

In order to emphasize the patentable distinctions of applicants' invention over the prior art and to expedite prosecution of this application, claim 12 has been amended to include all the features formerly delineated by claims 1 and 2. Claim 12, which was added by way of applicants' amendment under 37 CFR 1.111 dated November 17, 2003, was dependent on base claim 1 through intervening claim 2. As amended, claim 12 now recites a magnetic core consisting essentially of an amorphous iron-based alloy. The alloy has a composition consisting essentially of about 70-87 atom percent iron, of which up to about 20 atom percent of iron is optionally replaced by cobalt and up to about 3 atom percent of iron is optionally replaced by nickel, manganese, vanadium, titanium or molybdenum, and about 13-30 atom percent of elements selected from the group consisting of boron, silicon and carbon and a saturation induction exceeding about 10 kG (1 tesla). The core exhibits a linear B-H characteristic with a permeability, said permeability being constant within an applied field between -15 Oe and +15 Oe and at a frequency range up to about 1000 kHz.

Claims 1 and 2 have been cancelled, without prejudice, in order to expedite the prosecution process, their features having now been incorporated by claim 12. For the sake of clarity, claim 3 has been amended to depend from claim 12 instead of now-cancelled claim 2.

Remaining claims 3, 5, 8-11, now all depend directly or indirectly from amended claim 12. Accordingly, it is submitted that claims 3, 5, and 8-11 further restrict the subject matter of claim 12 and are thus allowable for at least the same reasons as claim 12.

Each of the foregoing amendments is clearly supported by the original specification, e.g. at page 3, line 18; page 3, line 35 to page 4, line 1; page 4, lines 8 - 12; page 5, lines 14 - 19 and 23 - 24; page 6, lines 3 - 8; page 7, lines 13 - 14; page 8, lines 4 - 10; and Fig. 4. Consequently, no new matter has been added.

Remaining claims 3, 5, and 8-11, now all depend directly or indirectly from amended claim 12. Accordingly, it is submitted that claims 3, 5, and 8-11 further restrict the subject matter of claim 12 and are thus allowable for at least the same reasons as claim 12.

Applicants' invention, as recited by present claims 3, 5, and 8 - 12 provides a magnetic core consisting essentially of an amorphous iron-based alloy having a saturation induction exceeding about 10 kG. The core has a linear B-H characteristic with a permeability that is constant within an applied field range between -15 Oe and +15 Oe and at a frequency range up to about 1000 kHz. The core is used in constructing an inductor and a current transformer as delineated by claims 5 and 8 - 11, respectively.

Claim 1 was rejected under 35 USC 103(a) as being unpatentable over US Patent 6,211,765 to Ito et al. in view of US Patent 6,093,261 to Hasegawa et al.

In view of the cancellation of claim 1, it is submitted that the rejection of claim 1 as being obvious over Ito in view of Hasegawa et al. is now moot.

Claim 2 was rejected under 35 USC 103(a) as being unpatentable over Ito et al. in view of Hasegawa et al. and further in view of US Patent 6,507,262 to Otte et al.

6

In view of the cancellation of claim 2, it is submitted that the rejection of claim 2 as being

obvious over Ito in view of Hasegawa et al. and further in view of Otte et al. is now moot.

Applicants note that the Office Action Summary attached to the Office Action dated

February 12, 2004 sets forth pending claims 1-3, 5, and 8-11 as being finally rejected. Applicants

further note that on page 4 of the same Office Action, the Examiner has made certain additional

remarks concerning claims 3, 5, 8, 9. 10, and 11, but there appears not to be any express rejection of

these claims under any section of 35 USC.

In view of the amendment to claims 3 and 12, the cancellation of claims 1 and 2, and the

remarks set forth above, it is submitted that the present application, as recited by amended claims 3,

5, and 8 - 12 is in allowable condition. Reconsideration of the rejection of claims 1 - 3, 5, and 8 -

12, entry of the present amendment and allowance of amended claims 3, 5, and 8 - 12, are earnestly

solicited.

Respectfully submitted,

Ronald J. Martis, et al.

Ernest D. Buff

(Their Attorney)

Reg. No. 25,833

(973) 644-0008